

# HOUSE BILL No. 1046

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-12-25.2.

**Synopsis:** Property tax deduction for mortise and tenon barns. Permits a person to receive a 100% property tax deduction against the assessed value of certain mortise and tenon barns.

**Effective:** Upon passage.

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## Cherry, Thompson, Clere

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January 7, 2014, read first time and referred to Committee on Ways and Means.

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Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1046

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-1.1-12-25.2 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 25.2. (a) The following**  
4 **definitions apply throughout this section:**

5 (1) "Eligible applicant" means:

6 (A) an owner of an eligible mortise and tenon barn; or

7 (B) a person that is purchasing property, including an  
8 eligible mortise and tenon barn, under a contract that:

9 (i) gives the person a right to obtain title to the property  
10 upon fulfilling the terms of the contract;

11 (ii) does not permit the owner to terminate the contract  
12 as long as the person buying the property complies with  
13 the terms of the contract;

14 (iii) specifies that during the term of the contract the  
15 person must pay the property taxes on the property; and

16 (iv) has been recorded with the county recorder.



1           (2) "Eligible mortise and tenon barn" means a barn that:

2           (A) was built using heavy wooden timbers, joined together  
3           with wood-pegged mortise and tenon joinery, that form an  
4           exposed structural frame;

5           (B) was originally placed in service for an agricultural  
6           purpose before 1936; and

7           (C) has, on an assessment date, substantially the same size,  
8           design, and construction as the original structure.

9           (b) An eligible applicant is entitled to a deduction against the  
10          assessed value of the structure and foundation of an eligible  
11          mortise and tenon barn for assessments after 2014. The deduction  
12          is equal to one hundred percent (100%) of the assessed value of the  
13          structure and foundation of the eligible mortise and tenon barn.

14          (c) An eligible applicant that desires to obtain the deduction  
15          provided by this section must file a certified deduction application  
16          with the auditor of the county in which the eligible mortise and  
17          tenon barn is located. The application may be filed in person or by  
18          mail. The application must contain the information and be in the  
19          form prescribed by the department of local government finance. If  
20          mailed, the mailing must be postmarked on or before the last day  
21          for filing.

22          (d) Subject to subsection (e) and section 45 of this chapter, the  
23          application must be filed during the year preceding the year in  
24          which the deduction will first be applied. Upon verification of the  
25          application by the county assessor of the county in which the  
26          property is subject to assessment or by the township assessor of the  
27          township in which the property is subject to assessment (if there is  
28          a township assessor for the township), the auditor of the county  
29          shall allow the deduction.

30          (e) The auditor of a county shall, in a particular year, apply the  
31          deduction provided under this section to the eligible mortise and  
32          tenon barn of the owner that received the deduction in the  
33          preceding year unless the auditor of the county determines that the  
34          property is no longer eligible for the deduction. A person that  
35          receives a deduction under this section in a particular year and  
36          that remains eligible for the deduction in the following year is not  
37          required to file an application for the deduction in the following  
38          year. A person that received a deduction under this section in a  
39          particular year and that becomes ineligible for the deduction in the  
40          following year shall notify the auditor of the county in which the  
41          property is located of the ineligibility in the year in which the  
42          person becomes ineligible. A deduction under this section



1 terminates following a change in ownership of the eligible mortise  
2 and tenon barn. However, a deduction under this section does not  
3 terminate following the removal of less than all the joint owners of  
4 the property or purchasers of the property under a contract  
5 described in subsection (a).

6 SECTION 2. An emergency is declared for this act.

